

Penalty enacted to combat CEO-worker income inequality

By Hayley Miller, *Huffington Post*

In an effort to combat income inequality, Portland on Thursday became the first jurisdiction to adopt a tax penalty on companies with excessive CEO-worker pay gaps.

Under the new law, companies doing enough business in Portland to pay the city's business fee will be taxed an additional 10 percent if their CEO makes 100 times what median workers earn – and an additional 25 percent if they make 250 times more.

“This is meant to be a signal that these kinds of ridiculous [pay] ratios are unacceptable,” Portland's city commissioner Steve Novick told the *Huffington Post*. “You do not do better as a company because you decide to pay outrageous salaries to your CEOs.”

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